

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

Petition No. 322/TL/2024

Subject : Application under Sections 14, 15 and 79(1)(e) of the Electricity Act, 2003 read with Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Transmission License and other related matters) Regulations, 2009 seeking grant of the transmission licence to NERGS-I Power Transmission Limited.

Petitioner : NERGS-I Power Transmission Limited (NREGSPTL)

Respondents : Central Transmission Utility of India Limited & Ors.

Date of Hearing : **6.1.2026**

Coram : Shri Jishnu Barua, Chairperson
Shri Ramesh Babu V., Member
Shri Harish Dudani, Member
Shri Ravinder Singh Dhillon, Member

Parties Present : Ms. Poonam Verma Sengupta, Advocate, NREGSPTL
Shri Saunak Rajguri, Advocate, NREGSPTL
Shri Pradyumn Amit Sharma, Advocate, NERGSPTL
Shri Shubham Arya, Advocate, CTUIL
Ms. Shree Dwivedi, Advocate, CTUIL
Ms. Swapna Sheshadari, Advocate, APDCL
Shri Piyush Sachdev, Advocate, APDCL
Ms. Aishwarya Subramani, Advocate, APDCL
Ms. Harsha V Rao, Advocate, APDCL
Ms. Runamoni Bhuyan, APDCL
Shri Lalit Nar, APDCL

Record of Proceedings

At the outset, the learned counsel for the Petitioner submitted that the Respondent, CTUIL, has not complied with the directions of the Commission issued vide the Record of Proceedings dated 28.10.2025 and 3.12.2025 and has merely filed the same affidavit as was served earlier without incorporating its stand. He referred to CTUIL's affidavit dated 2.12.2025 and pointed out that CTUIL has not clarified its stand regarding the Petitioner's claims dated 12.9.2025 towards cancellation of the transmission Project. CTUIL has only made generic and vague submissions to its claims, and having failed to refute the Petitioner's specific claims, such claims are deemed to be admitted. He further submitted that there is a privity of contract between the Petitioner and CTUIL in light of

the TSA dated 30.7.2024, and thus, the obligation to pay the compensation to the Petitioner solely vests with CTUIL and not on the Respondent, APDCL. Further, any dispute between CTUIL and APDCL is an *inter-se* dispute between the said parties and cannot be raised in the present proceedings. Thus, the Petitioner has not chosen to proceed against APDCL as there is no contract between the Petitioner and APDCL.

2. Learned counsel for the Respondent, APDCL, submitted that APDCL was made a party to the proceedings on the directions of the Commission. She further added that the Petitioner is now taking a contradictory stand, as during the course of the hearing on 20.6.2025, the Petitioner had agreed to APDCL's proposal for the reimbursement of costs incurred by it and further agreed to participate in the meetings as suggested by APDCL. In fact, the Petitioner had further submitted that the BGs of the APDCL (amounting to 214.50 crores) ought to be withheld till the reimbursement is finally made to the Petitioner. Presently, the Petitioner is trying to shy away from the fact that APDCL has participated in the joint meetings held between the Petitioner, CTUIL and APDCL, on the directions of the Commission and cannot, in any way, now take the benefit of citing the doctrine of privity of contract. She further added that the APDCL *vide* its reply dated 9.10.2025 has undertaken a comprehensive verification of the documentation submitted by the Petitioner; however, no response has been filed by the Petitioner in this regard. She further added that the Petitioner has failed to explain the inconsistencies in its claim as to the unexplained increase in the expenditure incurred between 17.2.2025 (as of when the amount incurred was stated to be Rs. 10.31 crore) and 12.9.2025 (when by email NERGS had claimed the actual expenses incurred to be Rs. 28,51,75,381/-), when APDCL had already by way of affidavit filed on 19.6.2025 indicated the decision of the Government of Assam and the suspension of the generation project.

3. Learned counsel for the Respondent, CTUIL, at the outset, refuted the Petitioner's contention that CTUIL has not cleared its stand on the claims made by the Petitioner. While highlighting the role of CTUIL in transmission licence proceedings, he submitted that CTUIL is also responsible for providing recommendations on the technical necessity, planning history, and requirements of the transmission scheme. Apart from the aforesaid role, CTUIL is the principal counterparty to the Petitioner under the TSA dated 30.7.2024 in the present matter and is thus required to issue and process the claims, payment and notices under the TSA strictly in terms of the provisions of the TSA. He further submitted that the Petitioner has made claims for reimbursement or compensation consequent to the non-requirement of the scheme as communicated by APDCL, during the course of proceedings in the transmission licence Petition. In this regard, he further submitted that the Petitioner's claims are essentially regulatory compensation *qua* APDCL rather than contractual claims under the TSA. The Petitioner is not entitled to any contractual payment from CTUIL under the TSA. Further, in terms of the TSA, the TSP's entitlement is limited to the valuation of project assets, which does not include any claim of indirect or consequential losses or damages *qua* termination of the TSA. In any case, the TSA has not yet been terminated, and the provisions relating to such recovery after termination would only kick in when the TSA is terminated. He further submitted that the Petitioner, at present, is not a transmission licensee and thus, the Petitioner ought to have stopped engaging in transmission activities until the Petitioner secured the transmission licence

from the Commission. He further highlighted the findings of the Independent Engineer's Report and submitted that the Petitioner has not carried out any substantial progress in the Project as on October 2025. However, the Petitioner is raising different increases in claims on different occasions, and that too, without any specific reference to the enabling provisions of the TSA or the Indian Contract Act, 1872.

4. In response, the learned counsel for the Petitioner submitted that the Petitioner had participated in the joint meetings in good faith to arrive at an amicable outcome. However, the parties are clearly not in agreement and by placing reliance on a single sentence of Record of Proceedings dated 20.6.2025, the Respondents cannot alter the fact that there is no privity of contract between the Petitioner and APDCL. Further, on instructions, he submitted that since the present Petition was filed only for the grant of a transmission licence, the Petitioner be permitted to withdraw this Petition with the liberty to file a fresh Petition to raise its claims.

5. However, the learned counsel for CTUIL as well as APDCL strongly opposed the Petitioner's oral request to withdraw the Petition at this juncture of proceedings and sought liberty to file their objections after the Petitioner moves a formal application to this effect.

6. Considering the submissions made by the learned counsels for the Petitioner and Respondents, the Commission permitted the Petitioner to move an appropriate application seeking withdrawal of the Petition, if so advised, within a week. The Respondents were also allowed to file their objections thereto, if any, within two weeks thereafter.

7. The Petition will be listed for hearing on **24.2.2026**.

By order of the Commission
Sd/-
(T.D. Pant)
Joint Chief (Law)